

U.S. Department of Justice

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PRESS RELEASE

GRAND JURY RETURNS INDICTMENT CHARGING DECHRISTOPHER WITH VIOLATIONS OF FEDERAL LAW IN CONNECTION WITH OIL AND GAS LEASE BIDDING PROCESS

SALT LAKE CITY – A federal grand jury in Salt Lake City returned a two-count indictment Wednesday afternoon charging Tim DeChristopher with violations of federal law in connection with an alleged scheme to interfere with the competitive bidding process for the sale of BLM oil and gas leases in December.

"This case is about facts and the law not political positions. Congress has enacted very specific laws designed to protect the integrity of the competitive bidding process involved in the issuance of oil and gas leases. As federal prosecutors, our responsibility is to enforce those laws and hold accountable those who violate them," Brett L. Tolman, U.S. Attorney for Utah, said today. "Our nation is a nation of laws, and we live by the rule of law. We recognize that individuals have deeply felt views about important public issues, and they certainly should hold and express those views. However, there are ways to express viewpoints and to press for change without violating the law, disrupting open public processes, and causing

financial harm to the government and to other individuals. When that kind of violation occurs, we have a duty to review all of the circumstances and to enforce the law in an even-handed fashion, regardless of the personally-held views of the perpetrator," Tolman said.

"Rather than follow the rule of law, this defendant has, in his own words, repeatedly said he intended to disrupt the lease bidding process. Today's indictment is our answer to his decision. We will enforce the law and protect the integrity of the rule of law system we live under in this country," Tolman said.

Count one of the indictment (both are felony violations) charges DeChristopher, age 27, of Salt Lake City, with a violation of the Federal Onshore Oil and Gas Leasing Reform Act.

Congress enacted the Federal Onshore Oil and Gas Leasing Reform Act in 1987. One of the key provisions of the Act was the establishment of a competitive bidding process for oil and gas leases. The Act established procedures that must be followed by the BLM in conducting the bidding process. In addition, the Act established requirements for those engaged in the competitive bidding process.

Today's indictment alleges DeChristopher organized and participated in a scheme to defeat provisions of the Act by knowingly interfering with the competitive bidding process of the sale of federal oil and gas leases during a December 19, 2008, auction in Salt Lake City. The indictment alleges that as a part of his scheme to defeat provisions of the Act, DeChristopher attended the auction at the Salt Lake City office of the Bureau of Land Management and represented himself as a bona fide bidder, when in fact he was not. In furtherance of the scheme, the indictment alleges, he completed a bidder registration form certifying that he had a good faith intention to acquire an oil and gas lease on the offered lands and bid on and purchased oil and gas leases that he had neither the intention nor the means to acquire.

The potential penalty for the charge in count one of the indictment is up to five years in federal prison and a \$500,000 fine.

Count two of the indictment charges DeChristopher with knowingly making a false and fraudulent statement when he completed and signed a bidder registration form at the auction certifying that he had a good faith intention to acquire an oil and gas lease on lands offered for auction by the United States, when in fact he had no intention of acquiring such lease.

The potential penalty for the charge in count two of the indictment is up to five years in prison and a \$250,000 fine.

Defendants charged in indictments are presumed innocent unless or until proven guilty in court. A summons will be issued to DeChristopher to appear for an arraignment in federal court. A date for the arraignment has not been set.

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